FINANCIAL NEWS

Fatter margins boost Wendy's net profit

DUBLIN, Ohio—Aided by fatter margins at its company-owned stores, Wendy's International posted an 18% net profit gain to $14.2 million for the second quarter ended June 30 compared to the same time last year.

Year-to-year second-quarter revenue rose 14% to $174.8 million and systemwide sales advanced 12% to $469.1 million as the number of restaurants rose 9% to 2,534.

Six-month net profit jumped 21% to $24.3 million, revenue rose 13% to $328.4 million and systemwide sales increased 12% to $875.3 million.

The company attributed the gains to improved operations, lower beef prices and reduced couponing. In addition, it noted that company restaurant profit margins widened to 19.3% of sales in this year's second quarter compared to 18.3% in last year's.

Average sales per unit, however, remained relatively flat.

Systemwide unit sales advanced 2.7% in the second quarter to $188,000 and 2.6% for the six months to $354,000.

Franchised units rang up $189,000 in the second quarter, a 3.3% gain, and $355,000 in the six months, a 3.5% advance.

Company stores' unit sales advanced more slowly, up 2.2% to $186,000 for the quarter and less than 1% to $352,000 for the six months.

Wendy's operated 857 units at the end of the period, a 10% gain over the year before. Franchisees owned 1,677, an 8% gain.

At midyear Wendy's had 18 company stores under construction, compared to 16 last year. And franchisees were building 54, vs. 48 a year ago.

In addition, Wendy's spin-off concept, Sister's Chicken & Biscuits, numbered 34 units, compared to 17 last year.

Ryan's Steak Houses net $489,000 in second quarter

GREENVILLE, S.C.—Ryan's Family Steak Houses posted net profits of $489,000 for the second quarter ended June 29, a 129% increase over the same quarter last year.

Second-quarter revenue rose 105% to $4.7 million.

The company owns 14 and franchises four Ryan's budget steakhouses. During the quarter, three new company-owned and two new franchised Ryan's opened.

By the end of the year, Ryan's projects 17 company and nine franchised stores will be operating.

Six-month net profits rose 128% to $928,000 as revenues climbed 102% to $8.6 million.

Food-service chain stock analysis table

Name	Symbol	STOCK PRICE: Two Weeks Ended Aug. 12 High	Low	Close	Change Amt.	Change Pct.	52-Week High	52-Week Low	TREND TO MARKET: Price Trend (% per day) Last 30 Days	Price Trend Last 5 Days	Volume Trend (% per day) Last 30 Days	Volume Trend Last 5 Days	EARNINGS/SHARE: Last Fiscal Year	Latest 12 Months vs Preceding 12 Months Change Amt.	Change Pct.	5-Year Annual Growth Rate	Profit Margin	P/E: Latest P/E Ratio	DIVIDENDS: Indicated Dvd. Rate Amt.	Yield	Last X-Dvd. Date	FINANCIAL POSITION: Last Fiscal Year Revenue	Earnings	Current Ratio	Last Fiscal Year (Per Share) Long Term Debt	Common Stock Equity	Last Balance Sheet Date
—	—	$	$	$	$	%	$	$	%	%	%	%	$	$	%	%	%	—	$	%	—	$ Mil.	$ Mil.	—	$	$	—
Acapulco Y Los	ALAR	6.50	6.00	6.13	-.38	-5.77	7.88	5.00	.04	-.10	-2.12	6.55	.05	.21 S	NE	-25.0	.3	36.0	.00	.0	01-06-81	37.1	.1	1.4	6.13	2.99	1082
Am Motor Inns	INN	33.75	32.13	32.75	-1.63	-4.73	38.50	16.38	-.40	-.07	.91	-30.00	2.10	.40 N	20.3	27.0	7.0	13.8	.25	.8	08-10-83	161.4	11.3	1.6	15.08	13.00	0782
ARA Services	ARA	50.25	46.25	47.25	-.50	-1.05	55.00	26.50	-.05	-.66	4.65	.86	3.43	.52 N	15.0	-6.0	1.4	11.9	2.05	4.3	08-26-83	2805.6	38.9	1.1	22.39	44.25	0982
Assoc Hosts	AHST	17.50	15.50	15.50	-.50	-3.13	18.50	3.41	-.21	-2.97	-1.01	2.45	.39	.13 N	30.9	-10.0	2.2	28.2	.12	.8	07-05-83	78.6	1.7	1.6	4.40	5.05	0982
Beefsteak Char	BCS	6.88	6.50	6.75	-.13	-1.82	9.75	4.50	-.27	-.87	-1.20	.61	.88	.04 S	5.7	34.0	3.7	9.2	.00	.0	00-00-00	97.1	3.6	1.3	5.92	4.23	1082
Bob Evans Farms	BOBE	32.75	31.50	32.00	-.75	-2.29	33.50	16.31	.46	-.46	1.71	8.77	1.11	.09 Q	8.4	14.0	6.9	27.8	.30	.9	08-08-83	187.5	13.0	3.0	.00	6.92	0483
Bonanza Intl Inc	BNZA	6.75	6.63	6.75	.00	.00	6.88	1.63	.63	-.48	-4.67	-42.20	.11	3.06 S	NE	-86.0	3.1	33.8	.00	.0	00-00-00	16.1	.5	1.6	9.70	1.67	1282
Brock Hotel Cp	BHC	8.25	7.38	8.25	.50	6.45	14.50	7.38	-.54	1.15	1.11	35.41	.39	-.68 S	-97.1	-33.0	2.0	412.5	.10	1.2	06-13-83	259.8	5.1	1.2	11.01	3.90	1281
Calny Food	CLNY	15.00	14.25	14.50	-.25	-1.69	17.25	5.50	-.12	-.45	-1.25	-24.52	.80	.14 Q	20.2	6.0	4.6	17.5	.20	1.4	07-27-83	30.2	1.4	.4	3.71	2.24	0283
Captain Crabs	CRAB	6.88	6.00	6.50	.00	.00	7.25	1.00	.70	1.00	-2.18	5.61	.00	.00 S	NC	NC	.0	NE	.00	.0	00-00-00	.9	.0	7.0	.04	.22	0882
Carrols Cp	CRL	19.88	17.50	18.63	-.38	-1.97	19.88	3.34	1.25	.51	-4.22	-40.14	1.00	.56 F	127.2	22.0	3.6	18.6	.07	.4	02-02-83	85.2	3.1	.6	6.55	4.00	0582
Chart House	CHHO	35.00	32.88	33.75	-1.25	-3.57	37.75	17.63	-.14	.05	-1.96	-17.58	2.08	.09 S	4.3	13.0	4.9	15.6	.60	1.8	06-24-83	382.0	18.7	1.0	9.21	13.12	1282
Chi-Chis	CHIC	35.50	32.38	35.00	-.50	-1.41	37.63	9.25	.18	.89	-2.96	-21.99	.59	.30 F	103.4	26.0	9.4	59.3	.00	.0	12-20-82	94.2	8.9	3.0	2.18	2.26	0482
Ch Full O Nut	CHF	20.00	18.38	19.38	-.25	-1.27	24.38	12.50	-.39	-1.32	-7.61	-15.20	.34	.10 N	25.0	-8.0	1.4	38.8	.50	2.6	07-15-83	115.8	1.6	3.1	.43	5.97	0782
Churchs Fr Ch	CHU	29.63	27.75	29.00	-.63	-2.11	33.50	17.25	.28	.55	.24	2.96	2.19	-.06 S	-2.6	9.0	10.1	13.1	.72	2.5	05-20-83	413.1	41.6	1.8	.62	11.74	1282
Cindys Inc	CNDYC	3.50	3.25	3.38	-.13	-3.57	4.00	3.00	-.39	.81	-2.41	-25.27	.13	.59 Q	NE	NE	2.1	9.9	.00	.0	00-00-00	14.3	.3	.0	4.63	.43	1282
Collins Foods	CF	19.13	18.00	18.75	.00	.00	19.84	8.50	.20	-.60	.78	-47.86	1.47	.35 F	31.2	16.0	3.8	12.8	.20	1.1	07-01-83	324.4	12.4	1.8	4.14	8.71	0483
Consul Corp	CNSL	16.88	15.50	16.13	-1.13	-6.52	18.75	6.00	-.20	-.33	-2.83	5.41	.26	.26 F	NC	89.0	2.5	62.0	.00	.0	00-00-00	32.4	.8	.7	2.21	2.68	0582
Cracker Barrel	CBRL	24.00	23.25	23.50	.00	.00	27.34	6.16	.03	-.14	.50	.52	.69	.21 N	31.8	20.0	3.7	27.0	.13	.6	07-01-83	35.4	1.3	1.9	3.57	4.46	0782
Dennys Inc	DEN	34.50	32.00	32.00	-2.50	-7.25	36.88	24.13	.19	-1.47	-3.54	10.07	2.47	.26 N	11.1	9.0	3.9	12.4	.64	2.0	06-06-83	955.7	36.8	1.4	15.81	15.02	0682
Dunkin Donuts	DUNK	23.25	21.50	22.00	-1.88	-7.85	28.75	10.84	-.11	.05	-.57	-23.83	1.40	.21 S	16.0	18.0	9.4	14.5	.28	1.3	08-15-83	71.3	6.7	1.2	12.87	15.97	1082
Frischs	FRS	25.00	22.00	23.25	-1.88	-7.46	26.88	8.06	.78	-.14	5.30	-40.45	1.92	.12 F	6.6	16.0	3.7	12.1	.40	1.7	06-28-83	112.0	4.1	1.5	6.23	13.58	0582
Godfathers Pizza	GFPZ	19.75	17.75	18.38	-2.00	-9.82	25.50	9.88	-.43	-1.25	1.87	-25.97	.65	-.01 S	-1.5	98.0	15.8	28.7	.00	.0	00-00-00	37.9	6.0	2.1	.55	1.99	1282
Hambrg Hamlet	HAMB	12.00	12.00	12.00	.00	.00	12.00	5.50	.27	-.47	-1.39	-87.50	-1.10	-2.45 F	-181.4	-22.0	-2.4	NE	.00	.0	00-00-00	34.0	-.8	.7	20.45	13.07	0382
Hardwicke	HAWK	.88	.88	.88	-.25	-22.22	2.00	.88	-1.38	-1.02	-2.93	.00	-12.59	-9.67 Q	NE	-94.0	-89.4	NE	.00	.0	00-00-00	27.4	-24.5	.3	12.03	-4.31	0982
Hilton Hotels	HLT	55.38	50.63	55.13	4.25	8.35	60.25	27.75	-.21	1.46	3.52	-14.18	3.04	-.83 S	-22.0	.0	14.4	19.8	1.80	3.3	08-29-83	562.9	81.3	2.0	6.73	21.31	1282
Holiday Inns	HIA	52.75	50.00	52.38	1.88	3.71	59.00	25.25	-.11	.22	.15	-10.09	2.50	.16 S	5.8	9.0	6.8	18.1	.84	1.6	06-13-83	1425.3	97.2	.9	11.74	25.35	1282
Horn & Hardart	HOR	26.75	21.63	23.88	-2.63	-9.91	32.34	9.41	-.59	1.05	1.15	-19.71	.74	.37 S	62.7	38.0	2.8	24.9	.00	.0	07-12-83	235.4	6.6	1.1	9.46	4.77	1282
Hungry Tiger	HTIG	9.25	8.63	8.75	-.25	-2.78	12.25	5.34	.03	-1.13	-2.72	-34.09	.78	-.21 N	-25.9	5.0	3.8	14.6	.00	.0	11-15-82	55.9	2.1	.6	4.91	5.57	0682
Imperial Grp	IMT	1.75	1.69	1.69	-.13	-6.90	2.06	1.56	-.15	-1.03	-12.11	42.31	.47	.00 F	.0	9.0	2.6	3.6	.12	7.1	04-12-83	7742.8	198.3	1.1	.54	1.92	1082
Intl Dairy Queen	INDQ	38.00	34.50	34.50	-4.00	-10.39	40.00	13.75	.05	-.46	3.71	-42.42	2.17	.68 S	36.7	31.0	6.3	13.6	.00	.0	00-00-00	98.6	6.2	1.1	11.23	6.32	1182
Int King Tab	IKNG	37.50	33.00	37.50	2.25	6.38	38.25	3.50	.86	2.65	-.81	-6.49	1.54	1.21 F	366.6	23.0	4.8	24.4	.00	.0	10-09-79	50.0	2.4	.3	4.09	3.77	0682
JBs Rest	JBBB	16.38	15.88	15.88	-.13	-.78	18.13	5.75	-.32	-.76	-1.64	-37.23	.93	.21 N	25.3	13.0	3.5	15.3	.20	1.3	08-08-83	45.1	1.6	.9	6.38	5.84	0982
Jerrico Inc	JERR	18.88	16.75	18.13	-.88	-4.61	23.50	12.69	-.41	.88	-2.78	-.84	1.33	-.07 F	-5.0	20.0	4.6	13.6	.12	.7	05-09-83	454.1	21.0	.9	2.91	8.99	0682
Kapok Tr inns	KTI	9.00	8.50	8.75	-.25	-2.78	10.75	3.00	-.21	-1.03	3.07	51.64	-.37	-.17 S	NE	-46.0	-6.1	NE	.00	.0	00-00-00	11.4	-.7	2.5	1.36	5.45	0982
Kelly-Johnston	KEJO	17.88	16.25	16.25	-1.75	-9.72	24.50	10.34	.39	-2.26	-5.62	-.26	.40	.02 F	5.2	66.0	5.9	40.6	.00	.0	10-13-82	40.8	2.4	.9	.89	4.40	0382
Karcher Carl	CARL	33.13	31.00	31.50	-1.88	-5.62	34.13	9.81	.00	.14	-2.62	-12.43	1.32	.23 F	21.1	14.0	4.0	23.9	.00	.0	02-16-83	231.0	9.3	1.9	5.15	6.67	0182
Lubys Cafe	LUB	32.25	31.25	32.00	.00	.00	33.25	21.50	.19	.01	-3.65	-27.66	1.35	.18 N	13.8	20.0	9.1	21.6	.60	1.9	09-02-83	127.3	11.6	1.9	.64	6.79	0882
Marcus Corp	MRCS	13.00	12.75	12.75	-1.00	-7.27	15.13	6.75	-.22	-.47	-1.11	-27.45	1.28	.15 F	13.2	5.0	6.1	10.0	.25	2.0	07-01-83	108.9	6.6	.8	2.98	9.76	0582
Marriott Corp	MHS	76.63	72.38	75.88	1.38	1.85	81.00	33.75	.09	.93	.80	14.87	3.44	.43 S	13.0	23.0	3.7	20.4	.36	.5	09-19-83	2541.4	94.3	.9	33.49	19.43	1282
McDonalds Cp	MCD	62.00	56.50	58.13	-3.38	-5.49	74.50	46.44	-.32	.01	3.61	-9.30	5.00	.63 S	13.4	17.0	11.1	11.0	1.00	1.7	05-24-83	2715.2	300.6	.5	17.62	25.51	1282
Morrison Inc	MORR	19.75	18.50	18.50	-.78	-4.05	21.06	10.72	-.20	-.80	-3.76	.71	1.34	.24 F	21.8	9.0	4.4	13.8	.40	2.2	08-01-83	421.5	18.7	1.4	2.81	7.52	0582
Mr Steak	MSST	9.50	8.50	9.13	-.63	-6.41	10.50	1.75	.13	1.61	2.38	14.72	-.98	-.42 S	NE	-38.0	-2.7	NE	.00	.0	05-29-80	59.8	-1.6	1.1	4.26	3.76	0982
Nathans	NATH	2.50	1.75	2.50	.50	25.00	2.75	.78	-.59	9.06	2.21	51.10	.09	.06 F	200.0	NE	1.1	27.8	.00	.0	09-09-82	17.5	.2	.8	.05	1.88	0383
Naugles Inc	NAUG	30.50	24.00	24.00	-6.00	-20.00	32.75	10.13	-.25	-4.42	4.43	-13.37	.78	.83 N	NC	47.0	3.9	28.9	.00	.0	11-01-82	55.8	2.2	.4	8.04	2.73	0682
Oakbrook Cons	OKCO	17.00	17.00	17.00	.00	.00	18.50	9.00	.72	-.49	-.52	35.71	.69	-1.12 S	-82.9	-29.0	.4	73.9	.32	1.9	06-09-83	143.6	.6	.6	3.82	13.85	0982
Orange-co	OJ	6.13	5.50	5.88	.25	4.44	7.88	4.38	.00	1.02	-1.50	-16.11	-.25	-.41 N	-273.3	-23.0	-.8	NE	.00	.0	02-22-82	74.0	-.6	1.3	13.28	4.63	0882
Peoples Rest	PEPL	13.25	12.88	13.25	.00	.00	15.13	5.50	-.21	.11	-5.09	-42.06	.28	.09 F	47.3	79.0	7.0	47.3	.00	.0	00-00-00	27.3	1.9	.5	.75	2.39	0682
Piccadilly Caf	PICC	15.75	15.00	15.38	-.50	-3.15	18.13	14.00	-.43	.20	-.58	-33.03	.39	-.36 N	-25.0	9.0	5.9	14.2	.60	3.9	06-09-83	142.6	8.4	1.9	.00	7.29	0682
Pizza Inn	PZA	16.38	14.00	14.38	-1.50	-9.45	17.50	4.09	.31	-1.66	-.61	20.02	.55	.44 S	97.7	8.0	1.3	16.2	.04	.3	07-12-83	135.1	1.7	.9	12.32	6.63	1282
Pizza Time Thea	CHKY	15.50	13.50	13.75	-.75	-5.17	28.00	13.50	-.50	-3.11	4.89	57.92	1.27	-.81 S	-75.7	31.0	7.6	52.9	.00	.0	00-00-00	99.3	7.5	1.2	5.53	9.23	1282
Ponderosa Sys	PON	21.75	19.50	20.00	-1.88	-8.57	25.25	10.25	-.22	-.36	-1.82	-33.09	1.50	.26 Q	20.3	-4.0	2.8	13.0	.33	1.7	06-08-83	376.7	10.4	.8	8.03	12.43	0283
Ramada Inns	RAM	11.38	10.13	10.75	-.13	-1.15	11.88	4.25	.15	.48	-.43	6.77	-.73	-.69 Q	NE	-44.0	3.6	NE	.00	.0	10-19-81	547.5	19.8	.6	18.50	5.12	1282
Restaur Assc	RA	9.00	8.13	8.88	.38	4.41	11.38	3.50	-.26	.73	-3.00	32.10	.77	.06 S	9.2	22.0	1.8	12.5	.00	.0	00-00-00	104.8	1.9	1.0	3.98	7.15	1282
Ryans Fam Steak	RYAN	25.50	23.50	25.00	-.50	-1.96	28.25	3.09	-.08	.47	-5.21	8.73	.33	.07 S	21.8	67.0	10.6	64.1	.00	.0	04-20-83	9.4	1.0	3.1	.34	1.61	1282
Saga Corp	SGA	37.88	31.75	34.13	-2.63	-7.14	40.25	12.63	-.01	.04	-2.06	-48.82	2.19	.51 F	30.3	40.0	2.3	15.6	.36	1.1	06-02-83	978.8	22.4	.9	4.26	8.86	0682
Sandwich Chef	SHEF	13.50	12.75	12.75	-1.00	-7.27	15.50	11.50	-.07	-.65	-5.59	2.94	.70	.70 F	NC	22.0	4.5	18.2	.00	.0	00-00-00	20.2	.9	.6	.50	3.42	0682
Sea Galley	SEAG	13.00	11.75	13.00	.13	.97	15.00	5.50	-.63	1.68	-4.18	8.16	.02	-.91 Q	-135.8	-33.0	-.6	NE	.00	.0	06-02-81	70.1	-.4	1.3	5.10	4.90	1282
Servico Inc	SRVI	16.75	16.25	16.50	-.25	-1.49	19.75	7.50	-.15	.00	1.07	-30.37	.74	-.79 F	-51.6	42.0	1.5	22.3	.00	.0	07-09-82	138.1	2.1	1.1	65.81	6.21	1282
Shoneys Inc	SHON	24.25	21.50	23.25	-1.50	-6.06	27.38	12.75	-.30	1.43	-1.64	3.83	.86	.25 S	34.7	19.0	5.1	24.0	.15	.6	07-05-83	324.9	16.6	1.0	2.65	5.02	1082
Skippers	SKIP	14.50	12.50	13.50	-1.25	-8.47	15.50	3.16	-.17	1.62	.99	-3.36	.48	.46 S	135.2	16.0	2.6	16.9	.08	.6	03-31-83	38.1	1.0	.5	3.38	6.69	1282
Sonesta Hotel	SNSTZ	16.00	16.00	16.00	.00	.00	16.50	11.00	.17	-.46	-1.40	25.00	.28	-.14 S	-21.5	-13.0	.9	31.4	.20	1.3	06-13-83	80.1	.7	1.1	26.22	9.51	1282
So Hospitality	SHOS	6.00	5.00	5.50	-.75	-12.00	7.50	1.38	.02	1.47	2.14	-18.84	.27	.08 F	42.1	33.0	3.8	20.4	.00	.0	00-00-00	26.3	1.0	1.0	2.29	-.20	0582
Steak n Shake	STAK	8.50	8.38	8.38	.00	.00	9.25	2.63	.10	-.53	-.47	34.77	.18	.15 N	166.6	38.0	1.4	34.9	.00	.0	05-17-79	57.2	.8	1.1	4.94	2.76	0982
Victoria Stations	VSTA	10.38	9.25	9.25	-1.00	-9.76	13.63	5.00	-.61	-2.75	-3.32	-9.33	-2.39	-2.74 F	-782.8	-47.0	-7.1	NE	.00	.0	09-19-79	111.9	-8.0	.6	8.39	8.51	0383
Wendys Intl	WEN	16.38	14.38	15.50	-.88	-5.34	19.63	10.34	-.19	.92	-.10	-18.55	1.13	.15 S	14.2	13.0	7.3	12.9	.24	1.5	08-08-83	604.3	44.1	.8	2.53	6.50	1282
Webb Del E	WBB	19.75	17.50	19.75	.75	3.95	25.00	6.13	-.79	1.56	-1.88	-9.63	.16	-.80 Q	-129.0	-25.0	.5	NE	.00	.0	11-07-80	311.2	1.5	.9	11.32	13.71	1282
Western Steer	WSMP	13.25	13.25	13.25	.00	.00	17.50	8.00	-.03	-.45	.79	11.36	.92	-.08 Q	-7.5	3.0	3.1	13.5	.12	.9	06-03-83	28.8	.9	1.3	6.21	7.23	0283
Winners Cp	WNER	16.00	14.13	14.50	-1.75	-10.77	17.13	6.94	-.44	-.48	-.90	-39.78	.63	.07 Q	12.0	8.0	2.6	22.3	.00	.0	03-10-83	83.1	2.2	.5	7.06	6.43	1282

KEY: NA—Not Applicable NC—Not Calculable NE—Negative Earnings Q-First Quarter S-Six months N-Nine months F-Fiscal year
**—Other than a quarterly multiple resulting from a fiscal year change.*

Data and Table Provided by Media General Financial Services, Inc., Richmond, VA 23261

BEST A

FINANCIAL NEWS

EARNINGS REPORT

Company	Period	Period Ended	Total Sales*	% Change	Revenues*†	% Change	Net Income (Loss)*	% Change
Services	3 mos. 9 mos.	7/1			$770.0 2.2 bil.	12.0 10.0	$14.300 43.000	70.0 23.0
Associated Hosts	3 mos. 9 mos.	6/30			23.1 65.2	19.0 9.0	1.000 2.260	184.0 42.0
Carrols Corp.	3 mos. 12 mos.	5/31			22.1 85.2	* 24.0 23.0	0.627 3.100	476.0 123.0
Family Entertainment	3 mos.	4/3	$ 5.3	300.0			0.275	—
Jerrico	3 mos. 12 mos.	6/30			118.6 454.0	5.8 6.3	6.355 21.200	4.9 (2.6)
Ramada Hotels	3 mos. 6 mos.	6/30			146.0 276.0	2.1 1.8	(2.000) (8.500)	— —
Ryan's Family Steak Houses	3 mos. 6 mos.	6/29			4.7 8.6	105.0 102.0	0.489 0.928	129.0 128.0
Sandwich Chef	3 mos. 12 mos.	7/2	5.7 20.2	18.0 19.0			0.259 0.857	2.0 9.0
1 Potato 2 Inc.	4 mos.	5/25			2.0	99.0	(0.191)	—
Wendy's Int'l	3 mos. 6 mos.	6/30	469.1 875.3	12.0 12.0	174.8 328.4	14.0 13.0	14.200 24.300	18.0 21.0
Winners Corp.	3 mos. 6 mos.	6/30	21.3 39.1	(2.0) (4.0)			0.726 1.200	25.0 42.0

Source: *Company earnings reports*

—loss in corresponding period
**In millions*
†In cases where companies do not break out their total sales for all units, revenues are indicated instead. These generally consist of company-owned restaurant sales, franchise fees and rental incomes, royalties and operating income, as well as other miscellaneous incomes, such as interest income and gains on real estate and construction.

ARA net climbs 70% to $14M in third qtr.

PHILADELPHIA—ARA services has reported a 70% increase in net profit from $8.4 million to $14.3 million for the third quarter ended July 1st, compared to the same period last year.

For the first nine months of fiscal 1983, the company reported $43 million net profit, up 23% over last year's $34.9 million.

Revenues for the third quarter were up 12% to $770 million from last year's $686 million.

Revenues for the nine-month period increased slightly from $2 to $2.2 over last year's first nine months.

The increases in this quarter, according to ceo Joseph Neubauer, are a result of the "streamlined operations and . . . sales and marketing effort," the company put into place last year. At that time, ARA was reorganized according to market segment instead of geographic region.

The food and refreshment sector of the company reported "a significantly improved performance—16% ahead of last year."

ARA's transportation, health and family care, textile rental and maintenance and distribution segments all reported "encouraging results for the third quarter," according to Neubauer.

Neubauer says he expects the "accelerating operation margin improvements experienced across the board" to continue.

"We expect our fourth quarter performance to be considerably ahead of last year's," he said.

During the quarter, ARA's board approved a $100 million acquisition of the Solon Automated Services Inc., a supplier of laundry equipment for multi-family housing. The transaction is expected to be completed in early September.

Winners Corp. profits up 25%; sales slip 2%

NASHVILLE—Winners Corp., which owns the Mrs. Winner's chicken and biscuits chain, posted a 25% net profit gain to $726,000 for the second quarter ended June 30, compared to the year-ago quarter.

Second-quarter sales slipped 2% to $21.3 million from the previous year's quarter, reflecting the disposition of the company's California Wendy's restaurants.

Six-month net profits jumped 42% to $1.2 million and sales slipped 4% to $39.1 million, compared to the first half of 1982.

At period's end, there were 89 Mrs. Winner's units, including 12 franchised stores, and 59 Wendy's.

Carrols profits up 123% in fy '83

SYRACUSE, N.Y.—Carrols Corp., the country's second largest Burger King franchisee, said net income from continuing operations rose 123% to $3.1 million on revenues that increased 23% to $85.2 million for the year ended May 31, 1983.

For the fourth quarter, net profits from continuing operations was up 476% to $627,000. Revenues rose 24% to $22.1 million over the same quarter a year ago.

Carrols, formerly Carrols Development Corp., ended the fiscal year with 95 restaurants, up from 87 a year earlier. It also operates a food-service distribution division, and on June 1 acquired the 150-unit Jo-Ann's candy and nut shops chain.

Herbert N. Slotnick, Carrols' chairman, said earnings were spurred in part by major real growth in restaurant division sales. He cited BK's comparative ad campaign and Carrol's internal promotion of a breakfast program, now in place in 50 of the company's restaurants, as instrumental to that growth.

Since the end of the fiscal year, Carrols has opened or acquired an additional seven Burger Kings, giving it a total of 102 units in eight states. Among the newest units are Carrols' first four in the Cleveland market, where two more are scheduled to open by the end of September.

The food distribution division serves the company's own restaurants as well as 60 other Burger Kings and some institutional accounts.

Carrols recently completed divestiture of what was once a chain of movie theaters in the Northeast and of former Carrols burger units that were not converted to Burger Kings.

1 Potato 2 raises $5.5M with 1st public stock issue

NEW HOPE, Minn.—1 Potato 2 Inc., a chain of 41 baked-potato food-service stands in malls across the United States, has gone public, raising $5.5 million by issuing 500,000 shares of common stock.

The proceeds will be used to build new units and pay down about $1.1 million in bank loans borrowed at 2 points over prime to build stores.

The company, which was started in 1981 with two units, has run in the red since its founding.

In the first quarter ended May 25, a 16-week period, 1 Potato 2 posted a $190,886 net loss, compared to $268,846 net loss in the year-ago period. Revenue doubled year-to-year to $1.96 million.

The units are generally located in the food courts of malls, measure 450- to 1,000 sq. ft. and seat 45 to 65. The menu features baked potatoes with a variety of toppings including meat, cheese, sour cream and bacon bits, priced from $1.20 to $3.10.

Alan Kirchner, a 46-year-old bank president, bought the company in 1981. He overhauled the operations and menu and now plans to add 30 units to the chain this fiscal year.

He and other founding shareholders retain control of 56% of the company. The chain's operations chief is Gary Nelson, once an executive with Little King sandwich shops in Omaha, Neb.

The company figures there are about 1,400 malls in the nation which could support a 1 Potato 2 operation. They cost about $120,000 to construct and equip.

Potatoes are baked in convection ovens and kept hot at the counter. But after 20 minutes they are made into "Potato Munchies," a finger food.

Most 1 Potato 2 stores are located in California and Florida, but there are one or more in 17 other states.

The sites are leased, ranging from $10,000 to $45,000 per year plus a 6% to 10% surcharge when sales top $100,000 to $450,000 per year. Most of the equipment is leased also.

Sandwich Chef earnings up 9%

BIRMINGHAM, Ala.—Earnings growth lagged behind sales gains at Sandwich Chef, which posted a 9% net profit gain to $857,354 for the year ended July 2 compared to fiscal 1982.

Sales jumped 19% to $20.2 million from the year before as the number of units advanced to 186 from 168. The chain operates deli-style lunch counters.

Fourth-quarter net profit gains slowed to a trickle—2% over last year at $259,071. Last-quarter sales, meanwhile, rose 18% to $5.7 million from 1982.

President Alan Kaufman blamed the laggard profit growth on recession in Houston and Denver where the company operates 75 units. He added that 28 to 33 new units are planned for this fiscal year.

Ramada reduces losses; projects slight '83 profit

PHOENIX—Ramada Hotels Inc. reported a net loss of $2 million dollars for the second quarter ended June 30th. Last year Ramada reported a second-quarter loss of $6.5 million.

For the first months, Ramada had a net loss of $8.5 million, compared to a $12.6 million net loss for the same period in 1982.

Revenues for the second quarter were $146 million, up $3 million from last year's second-quarter figure of $143 million. Revenues for the first six months of the year were $276 million, up $5 million from $271 million in the same six-month period of 1982.

For the second quarter, the company experienced a $1.8 million loss on property sales compared to gains of $3 million in the same quarter of 1982. A 1982 tax provision of $3.4 million was recorded last year while this year the provision was $206,000.

Also, last year's first-half figures included $11 million gains from the sale of hotel properties, which mitigated the company's reported loss. The same period results for 1983, however, contain a $1 million loss on property sales.

Gaming income has doubled over last year. In 1982 the gaming group posted an income before interest of $4.6 million; this year the income is $8.6 million.

Ramada's hotel group recorded operating income of $10 million in the second quarter, off $2 million from the same period in 1982 (before gain or loss from property sales). For both the quarter and the six months compared to 1982, occupancy was down four points.

Ramada expects a modest profit for 1983, according to chairman and president Richard Snell. The figure is expected to be $10 million-$12 million, mostly from the sale of hotel properties during the year. The past summer season was below expectations, according to Snell.

Snell emphasized that casino revenues are building and much of the money will go toward the bottom line. Interest expenses are lower this year than last, says Snell.

Associated Hosts scores 184% third quarter gain

BEVERLY HILLS, Calif.—Associated Hosts, with a boost from its ongoing conversion program to the Bombay Bicycle Club restaurant concept, has scored a 184% increase in net earnings to $1 million for the third quarter ended June 30, compared to the same period last year.

Quarterly revenues were up almost 19% to $23.1 million vs. the year-ago third quarter. Nine-month net earnings were up 42% vs. the comparable period last year to $2.26 million, while revenues rose 9% to $65.2 million.

Associated Hosts operates 79 restaurants and three hotels in 26 states. Chairman Joseph Bulasky said the expanding Bombay Bicycle Club chain was "at the heart of our sharp increases in revenues and income."

Starting with two BBC units when the current fiscal year began, AH converted 14 of its restaurants to the concept through the end of the third quarter. Its 17th unit opened in July in Columbus, Ga.

All but one of the conversions are of the company's Smuggler's Inn concept. AH still has 33 Smuggler's Inn units remaining, and plans to convert them to BBC's at the rate of five per quarter over the next six quarters. Operations vp Paul Sandbloom said customer counts have trippled in the converted units, while bar business has risen from about 38% to about 50%.

On an annualized basis, sales per unit are now on a $2-million-plus pace after the approximate 10-12 week per-unit shutdown for conversion. Average per-person checks from the BBC's menu of specialty sandwiches, burgers, finger foods, dinner entrees and weekend brunches are about $6.75 vs. about $10.50 in the Smuggler's Inns.

Nonconversion sites for ground-up construction of additional BBC units are currently being sought, according to AH president Paul Rothman.

AILABLE COPY

HEALTHCARE FEEDING

A wide-open field for growth—Pages 61-67

0000086 NR
JOHN KENNEDY/STI
CONGRESSIONAL INFO SVC INC
4520 EAST-WEST HWY/STE#800
WASHINGTON DC 20014

Nation's Restaurant News®

The Newspaper of the Food Service Industry

Vol. 17, No. 19 | Published every other Monday, 25 times a year, by Lebhar-Friedman Inc.; $2 a copy, $18 a year | September 12, 1983

In-store feeders pressing for higher visibility

Store execs pushing promos, innovative merchandising

By Richard Martin

LOS ANGELES—Department store food-service executives are on the warpath to merchandise aggressively their restaurants and gain wider market share in the store and with the customers. They're fighting "space wars" with corporate brass to gain greater visibility for their operations.

While battling the "hidden restaurant" syndrome and former "soda fountain" image, in-store feeders are seeking stronger commitments to improve their personnel and equipment, and are striving to have their operations judged for ROI by different criteria than those applied to general merchandise departments.

These struggles, plus scores of innovative merchandising techniques and new menu concepts, were shared among leading in-store restaurant executives at the 15th annual food-service conference of the National Retail Merchants Association, at the Biltmore Hotel here last month. The four-day seminar was the group's first outside of Chicago.

One innovative idea that's boosting in-store efficiency, story on p. 3.

Keynote speaker Stan Kyker, executive vice president of the California Restaurant Association, told the in-store feeders they must heed the growing interest in cooking at home—a trend many of the executives are already addressing successfully with gourmet take-out operations and upscale deli offerings.

As retail sales begin to rebound from the recession, operators are looking for new promotional devices to capture returning customers. Steve Paskin, regional coordinator for 30-unit Bamberger's of Newark, N.J., told of a business-card promo in four stores which has markedly boosted evening restaurant traffic.

The store responds with a letter to those who drop their business card, authorizing them to bring a party of four, one of whom eats for free. Incremental sales of as much as 250 dinners a week at $18.95 has been part of the response, Paskin said.

He also told how efforts in the company's Paramus, N.J., flagship store to develop a strong rapport with the store

(Continued on page 124)

New president and ceo

Godfather's names Boppell

By Donald Jeffrey

OMAHA—Godfather's, shifting emphasis from franchising toward greater company ownership of its pizza restaurants, has hired the president of Taco Bell, Charles Boppell, to direct that move as the new president and chief executive officer.

Profile of Boppell, story on p. 3.

Boppell is taking the titles that were held by Godfather's founder William Theisen, but Theisen will remain chairman of the board and assume a new title: chief policy officer.

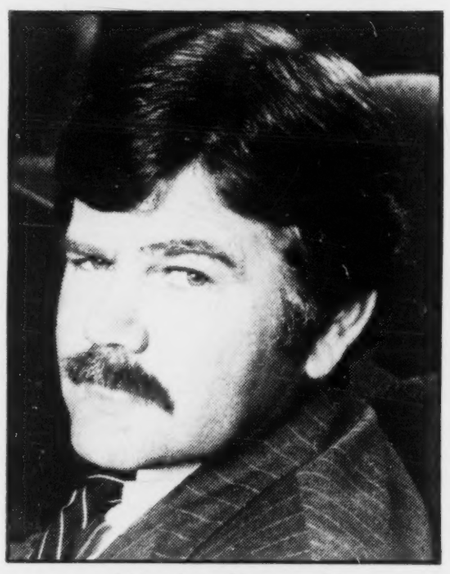
Boppell, 41, will be responsible for the day-to-day running of the company, while Theisen will concentrate on long-term company strategy.

"I'm going to remain very active as I have for many years," Theisen said in an interview.

At presstime Taco Bell and its parent corporation, PepsiCo, said they had not chosen a new chief executive for the 1,600-unit Mexican-style fast-food chain. Boppell had been president for two years after Robert McKay left and became a Taco Bell franchisee.

Godfather's search outside

(Continued on page 124)



Charles Boppell

Mayor Bradley to speak at MUFSO opening

LOS ANGELES—Mayor Tom Bradley has agreed to address the opening session of *Nation's Restaurant News'* 24th annual Multi-Unit Food Service Operators (MUFSO) conference at the Century Plaza Hotel Monday morning, Oct. 10.

Bradley, who was narrowly defeated for California Governor last November, will give a welcoming talk to the conference.

Other political leaders appearing at MUFSO will include Sen. Paul Lexalt of Nevada, who will address the conference later Monday morning; Sen. Lawrence Pressler of South Dakota; Rep. Carroll Campbell of South Carolina, and Gov. Robert Kerrey of Nebraska. The latter three will speak Wednesday Oct. 12.

For further details on *NRN*'s "Quest for Quality" MU conference, please contact Ilene Stargot, *N News*, 425 Park Ave., New York, N.Y. 10

This year's Pacific Coast Restaurant Show was held at the Los Angeles Convention Center. The 1984 show will move to San Francisco under the sole sponsorship of the CRA.

CRA made permanent sponsor of Pacific Restaurant Show

LOS ANGELES—A long-time split was apparently healed here with an agreement on the eve of the Pacific Coast Restaurant Show last month that the California Restaurant Association will sponsor the annual show each time.

The CRA purchased the rights to the biannual San Francisco portion of the show from the Golden Gate Restaurant Association. Thus the CRA will permanently sponsor the show, which will continue to alternate between Los Angeles (where it was held last month) and San Francisco (in 1984).

"We feel this will give the show more continuity from year to year without detracting from the major role of San Francisco," a CRA official said.

Outrage over tip reporting rules tops Pacific Coast Show agenda

By Charles Bernstein

LOS ANGELES—Government regulation of tip reporting, alien employment, and wages and hours was decried here as excessive and confusing to restaurateurs.

"I don't know of any law that has caused more dissension in this industry than the tip reporting requirements," declared Whataburger president and NRA board member Jim Peterson in an address to the California Restaurant Association membership at the Pacific Coast Restaurant Show last month. "These tip reporting requirements are unfair to employer and employee alike. We object to the unjust procedures, but unfortunately we haven't been able to convince the IRS."

Peterson, a last-minute substitute for NRA 1983-84 president Joe Lee, General Mills restaurant group president who was unable to appear here, was applauded for his remarks as Culinary Union pickets marched outside the Convention Center protesting the regulations.

(Some of the pickets maintained that under the regulations they were being deprived of lawful wages earned. They appeared to misinterpret the regulations or to be confused about their meaning.)

"The IRS considers you guilty until proven innocent," Peterson asserted. He warned "a third party" can charge a restaurant with a tip reporting violation, and then you as the employer have to prove you are not guilty. This procedure pits citizen against citizen."

Echoing a theme sounded in May by Lee, Peterson emphasized citizens opposing the legislation "have been threatened by certain sources with reprisal legislation."

He said the NRA objects strenuously to the complex seven-step allocation formula needed to estimate tips. "The 8% allocation threshold could well go to 12%," he warned.

At the same time, Peterson related, Sen. Robert Dole (R-Kan.) had agreed in late April

(Continued on page 124)

LATE NEWSBREAKS

Amfac has agreed to sell its 1,200-acre Silverado Resort complex, located in the heart of northern California wine country, to real estate developer Robert E. Meyer, for an undisclosed amount. Amfac will continue to manage Silverado under contract.

Peoples Restaurants said it planned to sell 1.2 million shares of common stock at $12 per share. The bulk of the net proceeds are earmarked, the company said, for 1984 development of both restaurants and the company's Michaels specialty retail stores.

Ponderosa has reported a 30% increase in net profit to $4.7 million on a 2% gain in revenues to $95.9 million for the second quarter ended recently. For the first half Ponderosa profit was 34% over last year's at $7.6 million on a 5% gain in revenues to $191.2 million.

FINANCIAL NEWS

Nathan's reverses 3-year slump; net up 14% in 1st qtr.

NEW YORK—Nathan's Famous is pulling out of its three-year slump with an increase in net profit for the '83 fiscal year and a healthy first quarter for fiscal '84.

Nathan's net profit for the first quarter of fiscal 1984 ended June 26 rose 14% to $418,000. Net profit for the year ended March 27 increased 195% to $324,269, compared with the same period last year.

Revenue for the first quarter increased 9% from $4.8 million to $5.3 million and included revenue from the leasing of properties such as game room facilities, in addition to restaurant sales. Revenues for fiscal '83 increased 5% from $17.4 million to $18.2 million. For fiscal years '82 and '81 Nathan's had revenue decreases of 21% and 13%, respectively.

After three years of net losses, Nathan's began to turn around in 1982 when an annual profit of $109,000 was posted. This year a net profit of $324,000 for the year has moved the company securely into the black. The 1983 figure includes a $48,000 gain from the sale of leaseholds, in addition to increased restaurant revenue.

The performance gains are significant in that Nathan's is operating less than one half of the stores that were in operation in 1981. There were 25 stores in 1981, 13 in 1982 and 11 in 1983.

In addition to closing unprofitable stores, the company has decreased the cost of sales. Once 66% in 1981, cost of sales is now down to 61%.

Despite increases in minimum wage, cost of utility and paper products, Nathan's used tighter controls, limited menu mixes and selective price increases to accomplish cost of sales reductions. Corporate overhead was also reduced.

Nathan's long-term debt was reduced significantly back in '81 when Marriott purchased a number of sites which were unprofitable for the hotdog chain.

Part of the new revenue is due to three limited menu seasonal satellite operations located in lower Manhattan. Each of the operations is in a high-traffic outdoor park installation. From May to September these satellite stores sell hotdogs, the company's signature french fries, knishes, soft drinks and an apple turnover.

According to chairman and president Murray Handwerker, Nathan's will be expanding the satellite store operation and working on another concept: a limited-menu mall store serving hotdogs with toppings.

A two-month-old store in the King of Prussia Mall in King of Prussia, Pa., serves a basic hotdog for $1.05 and five toppings. Customer can choose from cheddar cheese, hot and spicy sauce, sauerkraut, bacon and cheese or mushroom toppings for their hotdogs. Prices range from 19¢ to 29¢ per topping.

The mall operation carries a limited menu, selling hotdogs, french fries, a fudge brownie dessert and drinks. Seating for customers is provided in a common court area.

Food-service chain stock analysis table

		STOCK PRICE							TREND TO MARKET				EARNINGS/SHARE					P/E	DIVIDENDS			FINANCIAL POSITION					
		Two Weeks Ended Aug. 26							Price Trend (% per day)		Volume Trend (% per day)			Latest 12 Months vs Preceding 12 Months Change		5-Year Annual Growth Rate			Indicated Dvd. Rate			Last Fiscal Year			Last Fiscal Year (Per Share)		
Name	Symbol	High	Low	Close	Change Amt.	Change Pct.	52-Week High	52-Week Low	Last 30 Days	Last 5 Days	Last 30 Days	Last 5 Days	Last Fiscal Year	Amt.	Pct.		Profit Margin	Latest P/E Ratio	Amt.	Yield	Last X-Dvd. Date	Revenue	Earnings	Current Ratio	Long Term Debt	Common Stock Equity	Last Balance Sheet Date
—	—	$	$	$	$	%	$	$	%	%	%	%	$	$	%	%	%	—	$	%	—	$ Mil.	$ Mil.	—	$	$	—
Acapulco Y Los	ALAR	6.38	5.88	5.88	-.25	-4.08	7.88	5.00	-.40	-1.29	-7.13	5.25	.05	.21 S	NE	-25.0	.3	34.6	.00	.0	01-06-81	37.1	.1	1.4	6.13	2.99	1082
Am Motor Inns	INN	33.38	30.50	31.38	-1.38	-4.20	38.50	18.00	-.41	-1.23	1.62	25.38	2.10	.40 N	20.3	27.0	7.0	13.2	.25	.8	08-10-83	161.4	11.3	1.6	15.08	13.00	0782
ARA Services	ARA	49.25	45.75	46.25	-1.00	-2.12	55.00	31.13	-.02	-.34	1.21	53.54	3.43	.52 N	15.0	-6.0	1.4	11.6	2.05	4.4	08-26-83	2805.6	38.9	1.1	22.39	44.25	0982
Assoc Hosts	AHST	17.00	15.50	16.75	1.25	8.06	18.50	3.59	-.31	.11	3.01	-64.72	.39	.13 N	30.9	-10.0	2.2	30.5	.12	.7	07-05-83	78.6	1.7	1.6	4.40	5.05	0982
Beefsteak Char	BCS	7.13	6.50	6.75	.00	.00	9.75	4.50	-.09	.05	-2.25	-22.61	.88	.04 S	5.7	34.0	3.7	9.2	.00	.0	00-00-00	97.1	3.6	1.3	5.92	4.23	1082
Bob Evans Farms	BOBE	31.50	27.75	28.50	-3.50	-10.94	33.50	17.63	-.15	-2.12	2.14	36.28	1.11	.09 Q	8.4	14.0	6.9	24.8	.30	1.1	08-08-83	187.5	13.0	3.0	.00	6.92	0483
Bonanza Intl Inc	BNZA	6.88	6.25	6.75	.00	.00	6.88	1.75	.20	.73	-2.28	.72	-.11	3.06 S	NE	-86.0	3.1	33.8	.00	.0	00-00-00	16.1	.5	1.6	9.70	1.67	1282
Brock Hotel Cp	BHC	8.50	6.88	7.00	-1.25	-15.15	14.50	6.88	-.39	-1.68	.69	1.96	.39	-.68 S	-97.1	-33.0	2.0	350.0	.10	1.4	06-13-83	259.8	5.1	1.2	11.01	3.90	1281
Calny Food	CLNY	15.00	14.75	14.75	.25	1.72	17.25	5.66	-.01	.08	-10.88	-31.83	.80	.14 Q	20.2	6.0	4.6	17.8	.20	1.4	07-27-83	30.2	1.4	.4	3.71	2.24	0283
Captain Crabs	CRAB	7.13	6.00	7.00	.50	7.69	7.25	1.00	.38	1.24	-5.10	-32.78	.00	.00 N	NC	NC	.0	NE	.00	.0	00-00-00	.9	.0	7.0	.04	.22	0882
Carrols Cp	CRL	19.50	17.00	18.00	-.63	-3.36	19.88	3.66	.19	-1.73	-5.19	2.97	1.00	.56 F	127.2	22.0	3.6	18.0	.07	.4	02-02-83	85.2	3.1	.6	6.55	4.00	0582
Chart House	CHHO	33.88	31.75	32.13	-1.63	-4.81	37.75	20.63	-.31	-.25	.27	33.36	2.08	.09 S	4.3	13.0	4.9	14.8	.60	1.9	06-24-83	382.0	18.7	1.0	9.21	13.12	1282
Chi-Chis	CHIC	35.50	33.63	33.75	-1.25	-3.57	37.63	11.94	-.12	.02	-.85	32.04	.59	.30 F	103.4	27.0	9.4	57.2	.00	.0	12-20-82	94.2	8.9	2.6	2.81	2.43	0483
Ch Full O Nut	CHF	21.00	18.50	19.38	.00	.00	24.38	12.50	-.11	-.73	-1.40	-18.84	.34	.10 N	25.0	-8.0	1.4	38.8	.50	2.6	07-15-83	115.8	1.6	3.1	.43	5.97	0782
Churchs Fr Ch	CHU	29.25	23.50	24.00	-5.00	-17.24	33.50	19.84	-.70	-.27	-.12	-37.94	2.19	-.06 S	-2.6	9.0	10.1	10.8	.72	3.0	05-20-83	413.1	41.6	1.8	.62	11.74	1282
Cindys Inc	CNDYC	4.00	3.50	3.50	.13	3.70	4.00	3.00	.23	-1.76	4.00	-43.19	.13	.46 S	NE	NE	2.1	12.1	.00	.0	00-00-00	14.3	.3	.0	4.63	.43	1282
Collins Foods	CF	18.88	14.75	16.00	-2.75	-14.67	19.84	10.44	-.49	-.10	2.68	16.23	1.47	.35 F	31.2	16.0	3.8	10.9	.20	1.3	07-01-83	324.4	12.4	1.8	4.14	8.71	0483
Consul Corp	CNSL	17.00	16.25	16.75	.63	3.88	18.75	6.88	-.03	.41	-1.38	-12.86	.26	.26 F	NC	89.0	2.5	64.4	.00	.0	00-00-00	32.4	.8	.7	2.21	2.88	0582
Cracker Barrel	CBRL	23.50	21.25	21.25	-2.25	-9.57	27.34	6.34	-.18	-.20	-.86	-7.68	.69	.21 N	31.8	20.0	3.7	24.4	.13	.6	07-01-83	35.4	1.3	1.9	3.57	4.46	0782
Dennys Inc	DEN	33.00	29.25	31.00	-1.00	-3.13	36.88	26.38	-.34	-.33	-3.41	23.65	2.54	.14 F	5.8	8.0	3.8	12.2	.72	2.3	09-02-83	1054.6	40.2	1.4	15.81	15.02	0682
Dunkin Donuts	DUNK	22.13	21.25	21.38	-.63	-2.84	28.75	12.34	-.56	.20	3.56	-13.44	1.40	.22 N	16.2	18.0	9.4	13.6	.28	1.3	08-15-83	71.3	6.7	1.2	12.87	15.97	1082
Frischs	FRS	24.25	23.13	24.25	1.00	4.30	26.88	8.66	.11	.54	-2.92	-30.77	1.92	.12 F	6.6	16.0	3.7	12.6	.40	1.6	06-28-83	110.6	4.1	1.3	5.95	15.14	0583
Godfathers Pizza	GFPZ	18.50	17.63	17.63	-.75	-4.08	25.50	11.50	-.73	-.84	.77	9.41	.65	-.01 S	-1.5	98.0	15.8	27.5	.00	.0	00-00-00	37.9	6.0	2.1	.55	1.99	1282
Hambrg Hamlet	HAMB	12.00	12.00	12.00	.00	.00	12.00	5.50	.12	.41	-3.20	.00	-1.10	-2.45 F	-181.4	-22.0	-2.4	NE	.00	.0	00-00-00	34.0	-.8	.7	20.45	13.07	0382
Hardwicke	HAWK	.88	.75	.75	-.13	-14.29	2.00	.75	-1.59	.00	-8.92	.00	-12.59	-9.67 Q	NE	-94.0	-89.4	NE	.00	.0	00-00-00	27.4	-24.5	.3	12.03	-4.31	0982
Hilton Hotels	HLT	57.00	52.13	52.50	-2.63	-4.76	60.25	34.88	.22	-.73	.39	-21.80	3.04	-.83 S	-22.0	.0	14.4	17.9	1.80	3.4	08-29-83	562.9	81.3	2.0	6.73	21.31	1282
Holiday Inns	HIA	53.75	48.13	48.75	-3.63	-6.92	59.00	29.88	-.10	-1.53	-.65	-20.19	2.50	.16 S	5.8	9.0	6.8	16.9	.84	1.7	06-13-83	1425.3	97.2	.9	11.74	25.35	1282
Horn & Hardart	HOR	25.13	22.00	24.13	.25	1.05	32.34	10.28	-.50	-.19	.99	-13.06	.74	.37 S	62.7	38.0	2.8	25.1	.00	.0	07-12-83	235.4	6.6	1.1	9.46	4.77	1282
Hungry Tiger	HTIG	9.25	8.75	9.25	.50	5.71	12.25	5.34	.03	.47	-.90	-14.36	.78	-.21 N	-25.9	5.0	3.8	15.4	.00	.0	11-15-82	55.9	2.1	.6	4.91	5.57	0682
Imperial Grp	IMT	1.88	1.69	1.75	.06	3.70	2.06	1.56	.03	-1.20	-.12	2.56	.47	.00 F	.0	9.0	2.6	3.7	.12	6.9	04-12-83	7742.8	198.3	1.1	.54	1.92	1082
Intl Dairy Queen	INDQ	34.50	34.00	34.00	-.50	-1.45	40.00	14.50	-.33	.38	-.54	40.00	2.17	.68 S	36.7	31.0	6.3	13.4	.00	.0	00-00-00	98.6	6.2	1.1	11.23	6.32	1182
Int King Tab	IKNG	22.25	18.50	19.25	-3.25	-14.44	22.94	2.69	-.39	.15	-.92	-44.55	.92	.72 F	360.0	23.0	4.8	20.9	.00	.0	08-15-83	50.0	2.4	.3	2.46	2.26	0682
JBs Rest	JBBB	16.25	15.88	16.25	.38	2.36	18.13	6.00	.01	.46	-5.23	35.89	.93	.21 N	25.3	13.0	3.5	15.6	.20	1.2	08-08-83	45.1	1.6	.9	6.38	5.84	0982
Jerrico Inc	JERR	18.13	17.13	17.50	-.63	-3.45	23.50	16.75	-.48	.62	.34	11.94	1.33	-.07 F	-5.0	20.0	4.6	13.2	.12	.7	05-09-83	454.1	21.0	.9	2.91	8.99	0682
Kapok Tr Inns	KTI	8.75	7.88	8.50	-.25	-2.86	10.75	3.00	-.20	.11	1.29	4.35	-.37	-.54 N	NE	-48.0	-6.1	NE	.00	.0	00-00-90	11.4	-.7	2.5	1.36	5.45	0982
Kelly-Johnston	KEJO	17.50	16.00	16.88	.63	3.85	24.50	12.13	-.20	-.54	-.92	-27.49	.40	.09 Q	27.2	56.0	5.9	40.2	.00	.0	10-13-82	40.8	2.4	.9	.89	4.40	0382
Karcher Carl	CARL	32.25	30.50	32.00	.50	1.59	34.13	11.91	-.17	.95	-3.78	-2.22	1.32	.29 Q	24.5	19.0	4.0	21.8	.00	.0	02-16-83	231.0	9.3	2.4	8.31	8.13	0183
Lubys Cafe	LUB	35.00	31.75	33.00	1.00	3.13	35.00	21.50	.29	-.79	-4.16	-17.21	1.35	.18 N	13.8	20.0	9.1	22.3	.60	1.8	09-02-83	127.3	11.6	1.9	.64	6.79	0682
Marcus Corp	MRCS	12.88	12.63	12.75	.00	.00	15.13	6.75	-.23	.22	-.15	-17.72	1.28	.15 F	13.2	5.0	6.1	10.0	.25	2.0	07-01-83	108.9	6.6	.8	2.98	9.76	0582
Marriott Corp	MHS	77.50	73.75	74.75	-1.13	-1.48	81.00	41.00	.05	-.07	2.28	-11.24	3.44	.43 S	13.0	23.0	3.7	20.1	.36	.5	09-19-83	2541.4	94.3	.9	33.49	19.43	1282
McDonalds Cp	MCD	59.00	55.75	58.38	.25	.43	74.50	51.84	-.38	.71	2.19	13.24	5.00	.63 S	13.4	17.0	11.1	11.0	1.00	1.7	05-24-83	2715.2	300.6	.5	17.62	25.51	1282
Morrison Inc	MORR	19.38	17.88	18.00	-.50	-2.70	21.06	11.31	-.28	-.62	-1.44	-10.99	1.34	.24 F	21.8	9.0	4.4	13.4	.40	2.2	08-01-83	421.5	18.7	1.4	2.81	7.52	0582
Mr Steak	MSST	9.13	8.50	8.50	-.63	-6.85	10.50	1.75	-.50	.11	.14	19.88	-.98	-.17 N	NE	-36.0	-2.7	NE	.00	.0	05-29-80	59.8	-1.6	1.1	4.26	3.76	0982
Nathans	NATH	2.38	2.00	2.00	-.50	-20.00	2.75	1.00	-.03	-1.36	-1.35	-24.59	.09	.06 F	200.0	NE	1.1	22.2	.00	.0	09-09-82	17.5	.2	.8	.05	1.88	0383
Naugles Inc	NAUG	24.25	19.75	19.75	-4.25	-17.71	32.75	10.31	-1.37	-4.64	3.19	50.24	.78	.83 N	NC	47.0	3.9	23.8	.00	.0	11-01-82	55.8	2.2	.4	8.04	2.73	0682
Oakbrook Cons	OKCO	17.00	17.00	17.00	.00	.00	18.50	10.00	.28	.40	-5.84	.00	.69	-.81 N	-90.0	-38.0	.4	188.9	.32	1.9	06-09-83	143.6	.6	.6	3.82	13.85	0982
Orange-co	OJ	5.88	5.50	5.50	-.38	-6.38	7.88	4.38	.01	-.55	-1.09	7.14	-.25	-.41 N	-273.3	-23.0	-.8	NE	.00	.0	02-22-82	74.0	-.6	1.3	13.28	4.63	0882
Peoples Rest	PEPL	13.38	12.25	12.25	-1.00	-7.55	15.13	5.75	-.13	-1.22	1.66	69.21	.28	.09 F	47.3	79.0	7.0	43.8	.00	.0	00-00-00	27.3	1.9	.5	.75	2.39	0682
Piccadilly Caf	PICC	15.63	13.13	13.38	-2.00	-13.01	18.13	13.13	-.57	-1.96	5.17	21.05	.99	-.40 F	-28.7	7.0	3.9	13.5	.60	4.5	09-09-83	152.7	6.0	1.9	.00	7.29	0682
Pizza Inn	PZA	15.13	13.75	14.00	-.38	-2.61	17.50	4.22	-.37	-.77	-1.36	16.51	.55	.44 S	97.7	8.0	1.3	15.7	.04	.3	07-12-83	135.1	1.7	.9	12.32	6.63	1282
Pizza Time Thea	CHKY	14.00	12.00	13.50	-.25	-1.82	28.00	12.00	-.76	2.07	2.79	-5.23	1.27	-.81 S	-75.7	31.0	7.6	51.9	.00	.0	00-00-00	99.3	7.5	1.2	5.53	9.23	1282
Ponderosa Sys	PON	20.00	16.00	16.88	-3.13	-15.63	25.25	12.34	-.99	-1.89	-.93	3.83	1.50	.26 Q	20.3	-4.0	2.8	11.0	.33	2.0	06-08-83	376.7	10.4	.8	8.03	12.43	0283
Ramada Inns	RAM	10.88	9.75	10.25	-.50	-4.65	11.88	4.25	-.13	.31	-.18	30.45	-.73	-.69 Q	NE	-44.0	3.6	NE	.00	.0	10-19-81	547.5	19.8	.6	18.50	5.12	1282
Restaur Assc	RA	9.50	8.50	8.50	-.38	-4.23	11.38	3.75	-.03	-1.57	4.28	1.60	.77	.06 S	9.2	22.0	1.8	12.0	.00	.0	00-00-00	104.8	1.9	1.0	3.98	7.15	1282
Ryans Fam Steak	RYAN	26.00	23.75	23.75	-1.25	-5.00	28.25	3.25	.00	-1.40	-1.41	27.62	.33	.07 S	21.8	67.0	10.6	60.9	.00	.0	04-20-83	9.4	1.0	3.1	.34	1.61	1282
Saga Corp	SGA	36.88	34.25	34.50	.38	1.10	40.25	14.25	-.24	-.80	-1.95	-41.29	2.19	.51 F	30.3	40.0	2.3	15.8	.36	1.0	06-02-83	978.8	22.4	.9	4.26	8.86	0682
Sandwich Chef	SHEF	12.50	11.75	11.75	-1.00	-7.84	15.50	11.50	-.25	-1.43	9.29	68.33	.70	.70 F	NC	22.0	4.5	16.8	.00	.0	00-00-00	20.2	.9	.6	.50	3.42	0682
Sea Galley	SEAG	13.75	12.88	13.38	.38	2.88	15.00	5.50	-.07	-.16	1.37	3.62	.02	-.91 Q	-135.8	-33.0	-.6	NE	.00	.0	06-02-81	70.1	-.4	1.3	5.10	4.90	1282
Servico Inc	SRVI	18.00	16.50	17.75	1.25	7.58	19.75	8.25	.10	1.10	.22	-9.73	.74	-.43 S	-40.9	3.0	1.5	28.6	.00	.0	07-09-82	138.1	2.1	1.1	65.81	6.21	1282
Shoneys Inc	SHON	23.38	22.25	23.38	.13	.54	27.38	13.88	-.33	1.15	1.05	57.58	.86	.25 S	34.7	19.0	5.1	24.1	.15	.6	07-05-83	324.9	16.6	1.0	2.65	5.02	1082
Sizzler Rest	SIZZ	12.25	11.00	11.50	-.50	-4.17	16.25	8.50	-.91	1.35	-1.62	-2.45	.59	.96 S	NC	5.0	2.5	12.0	.00	.0	00-00-00	113.7	2.8	1.0	2.33	4.63	0482
Skippers	SKIP	13.50	12.25	12.50	-1.00	-7.41	15.50	4.00	-.59	.02	.48	-60.39	.48	.46 S	135.2	16.0	2.6	15.6	.08	.6	03-31-83	38.1	1.0	.5	3.38	6.69	1282
Sonesta Hotel	SNSTZ	16.00	15.00	15.00	-1.00	-6.25	16.50	12.50	.01	-1.55	6.07	23.91	.28	-.14 S	-21.5	-13.0	.9	29.4	.20	1.3	06-13-83	80.1	.7	1.1	26.22	9.51	1282
So Hospitality	SHOS	5.75	5.00	5.25	-.25	-4.55	7.50	1.38	-.75	1.81	13.95	26.39	.27	.08 F	42.1	33.0	3.8	19.4	.00	.0	00-00-00	26.3	1.0	1.0	2.29	-.20	0582
Steak n Shake	STAK	8.50	8.13	8.25	-.13	-1.49	9.25	2.63	-.31	.56	-3.95	-18.66	.18	.15 N	166.6	38.0	1.4	34.4	.00	.0	05-17-79	57.2	.8	1.1	4.94	2.76	0982
Victoria Stations	VSTA	9.25	8.63	8.63	-.63	-6.76	13.63	5.00	-.96	-.32	-5.31	38.40	-2.39	-2.76 Q	-725.0	NE	-7.1	NE	.00	.0	09-19-79	111.9	-8.0	.6	8.39	8.51	0383
Wendys Intl	WEN	16.13	14.63	15.13	-.38	-2.42	19.63	11.69	-.29	-.08	-1.98	23.63	1.13	.15 S	14.2	13.0	7.3	12.6	.24	1.6	08-08-83	604.3	44.1	.8	2.53	6.50	1282
Webb Del E	WBB	19.63	15.88	17.00	-2.75	-13.92	25.00	6.38	-.61	-1.33	-3.44	23.90	.16	-.80 Q	-129.0	-25.0	.5	NE	.00	.0	11-07-80	311.2	1.5	.9	11.32	13.71	1282
Western Steer	WSMP	13.25	13.25	13.25	.00	.00	17.50	8.00	.07	.40	2.00	-68.23	.92	-.08 Q	-7.5	3.0	3.1	13.5	.12	.9	06-03-83	28.8	.9	1.3	6.21	7.23	0283
Winners Cp	WNER	14.50	14.00	14.00	-.50	-3.45	17.13	7.69	-.66	.26	-2.99	-18.89	.63	.07 Q	12.0	8.0	2.6	21.5	.00	.0	03-10-83	83.1	2.2	.5	7.06	6.43	1282

KEY: NA—Not Applicable NC—Not Calculable NE—Negative Earnings Q-First Quarter S-Six months N-Nine months F-Fiscal year
**—Other than a quarterly multiple resulting from a fiscal year change.*

Data and Table Provided by Media General Financial Services, Inc., Richmond, VA 23261

FINANCIAL NEWS

EARNINGS REPORT

Company	Period	Period Ended	Total Sales*	% Change	Revenues*†	% Change	Net Income (Loss)*	% Change
Brock Hotel Corp.	3 mos. 6 mos.	7/1			$ 81.0 161.0	28.0 34.0	$(0.330) (0.261)	— —
Chart House	3 mos. 6 mos.	6/30			105.0 200.0	7.0 9.0	6.600 9.500	33.0 29.0
Bob Evans Farms Rest. div.	3 mos.	7/29					2.500	13.0
Family Entertainment	3 mos.	4/3	$ 5.3	300.0			0.275	—
Garcia's of Scottsdale	3 mos.	7/17	19.0	109.0			(0.263)	—
Kelly-Johnston Ent.	3 mos.	6/30			8.3	54.0	0.729	46.0
Nathan's Famous	12 mos. 3 mos.	3/27 6/26			18.2 5.3	5.0 9.0	0.324 0.418	195.0 14.0
Pancho's Mexican Buffet	3 mos. 9 mos.	6/30			6.4 18.0	1.5 2.1	0.331 0.724	118.0 65.7
People's Restaurants	3 mos. 12 mos.	6/26	9.3 27.3	194.0 368.0			0.824 1.800	276.0 132.0
Restaurant Associates	3 mos. 6 mos.	7/2	30.2 57.8	23.0 14.0			0.610 0.692	23.0 (20.0)

Source: *Company earnings reports*

—loss in corresponding period
**In millions*
†In cases where companies do not break out their total sales for all units, revenues are indicated instead. These generally consist of company-owned restaurant sales, franchise fees and rental incomes, royalties and operating income, as well as other miscellaneous incomes, such as interest income and gains on real estate and construction.

Chart House net up 33% in 1st qtr.

LAFAYETTE, La.—Chart House, the diversified restaurant company which operates and franchises dinnerhouses and fast-food concepts, reported net profit rose 33% to $6.6 million on a 7% increase in revenue to $105 million for the second quarter ended June 30.

For the first six months profit was up 29% to $9.5 million and revenue up 9% to almost $200 million.

Donald N. Smith, new president and chief executive officer of Chart House, attributed the performance to strengthened cost control efforts and a reversal of weak sales and earnings in the company's steak restaurants and its Mexican-style dinnerhouses.

He singled out Burger King as a growing contributor to the company's top line. Chart House, the franchisor of 373 Burger Kings, has benefited significantly from the Burger King corporation's marketing efforts of the last nine months, according to Chart House executives.

Smith did not specify the contributions of its small-but-growing Luther's Bar-B-Que to the Chart House financial picture. The operation has doubled in size to 13 units over the last year.

On the top line, the Luther's division looks healthy, posting average annual unit sales of $1.5 million on an average check of $4.15. But the costs of developing a new system may defer any significant Luther's contribution to the company's bottom line for at least another year.

Brock net profit off $330,000

DALLAS—Brock Hotel Corp. reported a net loss of $330,000 for the second quarter ended July 1, compared to a $2.4 million net profit for the same period last year.

For the first six months of 1983, the company had a $261,000 net loss, compared to 1982's $4.6 million net profit for the same period.

Revenues for the second quarter were $81 million, up 28% from last year's $63 million figure. Revenues for the first six months were $161 million, up 34% from $120 million.

Included in both second quarter and first six months results is an $800,000 credit based on an insurance plan adjustment and equity from franchisee's animated entertainment fund. The figures also include $550,000 from termination of capital leases.

ShowBiz Pizza aside, the company's second quarter was characterized by a strong performance from the 56 franchised Holiday Inns, according to ceo Bob Brock. "Revenues, occupancies and average rates were up over last year," he said.

The two Park Suite Hotels in operation (Nashville and Oklahoma City) are said to be showing improvements, while the eight Brock Residence Inns are still "in an active stage of development."

As for ShowBiz Pizza Place, average unit sales are holding at about $1.2 million per year.

As a result of a segment shakeout, which has produced store closings among major chains, Brock is counting on reduced competition to help boost business. "Proper financing" said Brock, "should allow stores to reach satisfactory sales levels."

Plans also call for a restructuring of new store financing through joint ventures and management contracts.

Kelly-Johnston profit up; Duff's deal closed

OKLAHOMA CITY—Kelly-Johnston Enterprises has reported first-quarter financial results and closed the deal for Duff's, an Ohio-based cafeteria chain.

Kelly-Johnston said it paid $5 million in cash and $15 million in common stock for Duff's Enterprises of Fairfield, Ohio. The company franchises 133 and owns 24 smorgasbord cafeterias.

Kelly-Johnston, which operates 23 Chi-Chi's Mexican dinnerhouses, posted a 46% year-to-year net profit gain to $729,000 for the first quarter ended June 30.

The acquisition was consummated after the end of the first quarter.

First-quarter revenues rose 54% to $8.3 million, compared to the year-ago period.

If Duff's had been acquired at the beginning of Kelly-Johnston's last fiscal year, its earnings would have been 30% higher, the company said.

Imasco Ltd. reports 13% net profit gain

MONTREAL—Imasco Ltd. reported its Hardee's fast-food chain posted a 13% net profit gain to $25.6 million (Canadian) for the first quarter ended June 30 compared to last year's first quarter.

Revenues in the restaurant division, which includes Burger Chef, a manufacturing and distribution subsidiary, and contract feeding operations, rose 10% over the prior-year quarter to $271 million.

Imasco Ltd.'s United States restaurant subsidiary is organized as a holding company called Imasco USA and is based in Rocky Mount, N.C.

The conglomerate as a whole, which also operates a chain of drug stores and makes tobacco products in Canada, posted a 23% net profit gain to $44 million, an operating profit advance of 9% to $80.7 million and a 5% revenue increase to $704.7 million year-to-year for the quarter.

Pizza Time franchisee posts net gain

ROCKVILLE, Md.—Family Entertainment Centers, a franchisee of Chuck E. Cheese's Pizza Time Theater, reported that it made a profit of $274,874 during the first quarter ended April 3. During last year's first quarter it lost $50,992.

Total sales from food, beverage, merchandise, and games were $5.3 million, compared with sales of $1.49 million during the first quarter last year, an increase of more than 300%.

The rapid rise in sales was due to the opening of new stores. At quarter's end the franchisee had 16 units. Another seven or eight are expected to be open before the end of the year.

The company said its average weekly sales per store were $30,000.

Contributing to profitability were decreases in some expenses. Labor costs as a percentage of sales declined to 24.2% from 25.7% during the first quarter last year and 26.7% for all of last year. General and administrative expenses were 9.4% of sales for the quarter; during the comparable period last year they were 15.6%.

Family Entertainment Centers also realized some profit from the sale of its two California stores to the parent company, Pizza Time Theater, for $2.7 million in cash and notes.

The franchisee has acquired the rights to develop at least eight new stores.

At the company's annual meeting in May, two new directors and three company officers were named. The directors were: Trude Taylor, chairman of an electronics company, and Roger Kuppinger, an investment banker. The officers were: Dennis H. O'Brien, vice president and controller; Michael J. T. Hess, vice president, marketing and corporate planning, and James E. Parrish, vice president, construction.

RA rebounds in 2nd qtr.

NEW YORK—Restaurant Associates reported net profit rose 23% to $610,000 for the second quarter ended July 2, while sales jumped 18% to $30.2 million, compared with the same period the previous year.

But this performance did not offset a weak first quarter for the diversified restaurant company. Net profit for the first half was down more than 20% to $692,000, compared to the same period of 1982, while sales increased 14% to $57.8 million.

Max Pine, president, attributed the first-half decline to several factors, including heavy rainfall in the Northeast, new unit startup costs and a national decline in the consumption of cigarettes.

Pancho's profit rises 118% in 3rd qtr.

FORT WORTH—Pancho's Mexican Buffet reported that net profits for the third quarter, ended June 30, increased 118% over the same quarter last year, to $330,517.

Revenues for the quarter, however, were up only 1.5% to $6.4 million.

For the first nine months of this fiscal year, net profits increased 65.7% to $724,311, compared to the same period last year. Revenues for nine months were up 2.1% to $17,992,512.

The company said that unit volumes in its full-service, high-ticket restaurants—Spanish Galleon Seafood Restaurants and Emiliano's Restaurante y Cantina—had not benefitted yet from the economic recovery.

But president and chief executive officer Hollis Taylor said: "The performance of our moderate-price Pancho's units is most gratifying."

The original Pancho's, in Richland Hills, Tex., was damaged by fire during the third quarter.

People's net profit jumps 132%

RICHARDSON, Tex.—People's Restaurants, the operator and franchisor of 47 dinnerhouses, reported a net profit of $1.8 million for the year ended June 26, an increase of 132% over the previous year.

Sales increased 368% to $27.3 million over the fiscal year.

The performance reflects that of the fourth quarter, when People's profits increased by 276% to $824,000 and sales grew 194% to $9.3 million compared with the same period of the previous year.

READ CLASSIFIEDS

Garcia's suffers six-month loss

SCOTTSDALE, Ariz.—Garcia's of Scottsdale, the operator and franchisor of 23 Mexican-style dinnerhouses, reported its second consecutive quarterly loss for the second quarter ended July 17.

The company lost $263,000 during the quarter, compared with earnings of $258,000 during the same period of the previous year.

Sales grew 109% to $19 million for the quarter, a reflection of Garcia's growth in units over the last year.

Dennis Mullen, president and chief operating officer, attributed the second-quarter loss to two factors: a one-time tax benefit which unrealistically inflated the results of the previous year's second quarter and low customer counts at the restaurants.

To attract more customers, Mullen said, the company increased the percentage of revenues spent on marketing from 3.4%, or $340,000 during last year's second quarter, to 6.4%, or $581,000 for this year.

He reported a sales increase of about 38% in four markets—Denver, Las Vegas, Des Moines and Albuquerque—where a new television ad campaign was aired during the quarter.

Garcia's previous year ended on a sour note, when the young company suffered a loss of $838,000.